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BY STEWART RUSSELL

Former CIA director William Colby believes the greatest threat stability over the next decade is not the Soviet Union but the possi social and political unrest in debt-ridden Latin American nations.

Colby, who ran the agency from 1973 to 1976, was one of four ex-s came in from the cold this week to enjoy the warmth of this Gulf Coa and discuss at an investment seminar how East-West hostility affects economy.

Asked what he considered the greatest current threat, Colby, now lawyer and consultant, told Reuters in an interview: "The Soviet Uni the main problem over the next decade. Right now it's the austerity programs imposed on the Latin countries to meet their IMF (International Monetary Fund) commitments.

"The question is whether they will be able to meet those commitments without generating social and political unrest. If these should get out of hand, we could have quite a problem."

Colby said he still supported the idea of a verifiable nuclear freeze despite the Soviet downing of a Korean airliner.

"That incident doesn't change my opinion of the Soviets and what kind of people they are," he said. "The fact is that the nuclear freeze becomes even more important as our relations deteriorate."

Colby said the Soviet allegation that the airliner was on a spy mission was "absolute nonsense." Neither the United States nor South Korea had any need to use a civilian plane for such a purpose, he said.

Since their "overreaction," he added, the Soviets had used an old debating trick to try to switch the focus of world debate over the incident.

"Having done something very wrong, shooting down an unarmed plane with lots of innocent people, they've tried to move the discussion from what they did ... to what we (the United States) might have done."

Colby was joined in the public part of the seminar by Soviet defector Vladimir Sakharov, a former KGB officer; George Carver, a 25-year CIA veteran, now retired; and E. Howard Hunt, CIA liaison officer with the Bay of Pigs Cuban exile invasion force and later the coordinator of the Watergate break-in.

Former Newsweek correspondent Arnaud de Borchgrave, co-author of two best-selling anti-Soviet "conspiracy theory" novels -- "The Spike" and "Momimbo" -- completed the panel.

The event was organized by Wood Gundy, a Wall Street and Florida-based investment firm.

Sakharov, who claims to have been a double agent working for the CIA while he headed a KGB operation in the Middle East in the 1970s, said there might have been a "demographic" angle to the Korean airliner incident.

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